

Act No. 271
Public Acts of 1998
Approved by the Governor
July 21, 1998
Filed with the Secretary of State
July 21, 1998
EFFECTIVE DATE: July 21, 1998

STATE OF MICHIGAN
89TH LEGISLATURE
REGULAR SESSION OF 1998

Introduced by Senators Schwarz, Gougeon, Steil and McManus

ENROLLED SENATE BILL No. 911

AN ACT to make appropriations for the state institutions of higher education and certain state purposes related to education for the fiscal year ending September 30, 1999; to provide for the expenditures of those appropriations; and to prescribe the powers and duties of certain state departments, institutions, agencies, employees, and officers.

The People of the State of Michigan enact:

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. The amounts listed in this part are appropriated for the state institutions of higher education and certain state purposes related to education, subject to the conditions set forth in this act, for the fiscal year ending September 30, 1999. The following is a summary of the appropriations in this part:

HIGHER EDUCATION

APPROPRIATION SUMMARY:

Full-time equated classified position.....1.0	
GROSS APPROPRIATION.....	\$ 1,604,100,000
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATION.....	\$ 1,604,100,000
Federal revenues:	
Total federal revenues	3,600,000
Special revenue funds:	
Total local revenues	0
Total private revenues.....	0
Total other state restricted revenues.....	0
State general fund/general purpose	\$ 1,600,500,000

Sec. 102. CENTRAL MICHIGAN UNIVERSITY	
Operations.....	\$ 74,118,888
GROSS APPROPRIATION.....	\$ 74,118,888
Appropriated from:	
State general fund/general purpose	\$ 74,118,888
Sec. 103. EASTERN MICHIGAN UNIVERSITY	
Operations.....	\$ 78,301,544
GROSS APPROPRIATION.....	\$ 78,301,544
Appropriated from:	
State general fund/general purpose	\$ 78,301,544
Sec. 104. FERRIS STATE UNIVERSITY	
Operations.....	\$ 49,950,570
GROSS APPROPRIATION.....	\$ 49,950,570
Appropriated from:	
State general fund/general purpose	\$ 49,950,570
Sec. 105. GRAND VALLEY STATE UNIVERSITY	
Operations.....	\$ 49,451,256
GROSS APPROPRIATION.....	\$ 49,451,256
Appropriated from:	
State general fund/general purpose	\$ 49,451,256
Sec. 106. LAKE SUPERIOR STATE UNIVERSITY	
Operations.....	\$ 12,822,671
GROSS APPROPRIATION.....	\$ 12,822,671
Appropriated from:	
State general fund/general purpose	\$ 12,822,671
Sec. 107. MICHIGAN STATE UNIVERSITY	
Operations.....	\$ 286,848,987
GROSS APPROPRIATION.....	\$ 286,848,987
Appropriated from:	
State general fund/general purpose	\$ 286,848,987
Sec. 108. MICHIGAN TECHNOLOGICAL UNIVERSITY	
Operations.....	\$ 49,019,667
GROSS APPROPRIATION.....	\$ 49,019,667
Appropriated from:	
State general fund/general purpose	\$ 49,019,667
Sec. 109. NORTHERN MICHIGAN UNIVERSITY	
Operations.....	\$ 47,247,801
GROSS APPROPRIATION.....	\$ 47,247,801
Appropriated from:	
State general fund/general purpose	\$ 47,247,801
Sec. 110. OAKLAND UNIVERSITY	
Operations.....	\$ 43,458,336
GROSS APPROPRIATION.....	\$ 43,458,336
Appropriated from:	
State general fund/general purpose	\$ 43,458,336
Sec. 111. SAGINAW VALLEY STATE UNIVERSITY	
Operations.....	\$ 23,076,264
GROSS APPROPRIATION.....	\$ 23,076,264
Appropriated from:	
State general fund/general purpose	\$ 23,076,264

Sec. 112. UNIVERSITY OF MICHIGAN - ANN ARBOR	
Operations.....	\$ 323,484,780
GROSS APPROPRIATION.....	\$ 323,484,780
Appropriated from:	
State general fund/general purpose	\$ 323,484,780
Sec. 113. UNIVERSITY OF MICHIGAN - DEARBORN	
Operations.....	\$ 23,729,786
GROSS APPROPRIATION.....	\$ 23,729,786
Appropriated from:	
State general fund/general purpose	\$ 23,729,786
Sec. 114. UNIVERSITY OF MICHIGAN - FLINT	
Operations.....	\$ 20,642,696
GROSS APPROPRIATION.....	\$ 20,642,696
Appropriated from:	
State general fund/general purpose	\$ 20,642,696
Sec. 115. WAYNE STATE UNIVERSITY	
Operations.....	\$ 229,675,955
GROSS APPROPRIATION.....	\$ 229,675,955
Appropriated from:	
State general fund/general purpose	\$ 229,675,955
Sec. 116. WESTERN MICHIGAN UNIVERSITY	
Operations.....	\$ 111,003,267
GROSS APPROPRIATION.....	\$ 111,003,267
Appropriated from:	
State general fund/general purpose	\$ 111,003,267
Sec. 117. STATE AND REGIONAL PROGRAMS	
Full-time equated position.....	1.0
Agricultural experiment station	\$ 30,268,300
Cooperative extension service	26,033,458
Michigan molecular institute	70,000
Japan center for Michigan universities.....	359,351
Higher education database modernization and conversion—1.0 FTE position.....	165,000
Midwestern higher education compact	58,000
GROSS APPROPRIATION.....	\$ 56,954,109
Appropriated from:	
State general fund/general purpose	\$ 56,954,109
Sec. 118. MARTIN LUTHER KING, JR. - CESAR CHAVEZ - ROSA PARKS PROGRAM	
Select student supportive services.....	\$ 1,974,782
Michigan college/university partnership program.....	592,435
Morris Hood, Jr. educator development program.....	150,000
Visiting professors program.....	166,424
GROSS APPROPRIATION.....	\$ 2,883,641
Appropriated from:	
State general fund/general purpose	\$ 2,883,641
Sec. 119. GRANTS AND FINANCIAL AID	
State competitive scholarships.....	\$ 32,405,046
Tuition grants.....	59,121,069
Michigan work-study program.....	7,300,472
Part-time independent student program.....	2,643,953
Grant for Michigan resident dental graduates.....	4,601,400
Grant for general degree graduates.....	5,287,427
Grant for allied health graduates.....	851,618

	For Fiscal Year Ending Sept. 30, 1999
Michigan education opportunity grants.....	\$ 2,076,797
Robert C. Byrd honors scholarship program	1,300,000
Center for advanced technologies.....	4,092,000
Tuition incentive program.....	1,750,000
GROSS APPROPRIATION.....	\$ 121,429,782
Appropriated from:	
Federal revenues:	
Higher education act of 1965, title IV, 20 U.S.C.	2,300,000
Higher education act of 1965, title IV, part A	1,300,000
State general fund/general purpose	\$ 117,829,782

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

GENERAL SECTIONS

Sec. 201. (1) Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources in part 1 of this appropriation act is \$1,600,500,000.00. Of the state spending from state resources in part 1 for campus based and other financial aid programs, it is estimated that \$4,667,700.00 are local spending pursuant to section 30 of article IX of the state constitution of 1963. The distribution is as follows:

	For Fiscal Year Ending Sept. 30, 1999
GRANTS AND FINANCIAL AID	
Part-time independent student program.....	\$ 1,493,000
Michigan education opportunity grant.....	999,600
Michigan work-study.....	2,175,100
TOTAL	\$ 4,667,700

(2) If it appears to the principal executive officer of a department or branch that state spending to local units of government will be less than the amount that was projected to be expended under subsection (1), the principal executive officer shall immediately give notice of the approximate shortfall to the state budget director.

Sec. 202. (1) For institutions with fiscal years ending June 30, 1999, the sums appropriated in this act are appropriated for their fiscal years ending June 30, 1999 and shall be paid out of the state treasury and distributed by the state treasurer to the respective institutions in 9 monthly installments for the period October 1, 1998 to June 30, 1999 pursuant to 1991 PA 190, MCL 487.2101 to 487.2105. For an institution with a fiscal year ending September 30, 1999, the sums appropriated in this act are appropriated for their fiscal year ending September 30, 1999 and shall be paid out of the state treasury and distributed by the state treasurer in 12 monthly installments for the period October 1, 1998 to September 30, 1999 pursuant to 1991 PA 190, MCL 487.2101 to 487.2105.

(2) The amount distributed to an institution shall not exceed the net appropriations plus additional distributions specifically authorized by this act.

(3) All universities shall submit higher education institutional data inventory (HEIDI) data and associated financial and program information requested by and in a manner prescribed by the state budget director. For universities with fiscal years ending June 30, 1998, these data shall be submitted to the department of management and budget by October 15, 1998. Universities with a fiscal year ending September 30, 1998 shall submit preliminary HEIDI data by November 15, 1998, and final data by December 15, 1998.

(4) A detailed description of procedures utilized to arrive at the amounts appropriated in part 1 shall be submitted to each institution by the senate and house fiscal agencies.

Sec. 203. Money received by the state from the federal government or private sources for the use of a college or university is appropriated for the purpose for which it was provided. The acceptance and use of federal or private funds does not place an obligation upon the legislature to continue the purposes for which the funds are made available.

Sec. 204. The expenditures and funding sources authorized under this act are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 205. A state institution of higher education that receives funds under this act shall furnish all program and financial information that is required by and in a manner prescribed by the state budget director or the house or senate appropriations committee.

Sec. 206. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services if competitively priced American goods or services of comparable quality are available. Not later than May 1, 1999, each university shall have available upon request information on efforts to comply with this section.

Sec. 207. If a state institution of higher education that receives funds under this act notifies the department of treasury regarding its tuition and fee rates in order to qualify as an eligible institution for the Michigan tuition tax credit under section 274 of the income tax act of 1967, 1967 PA 281, MCL 206.274, the institution shall also submit the notification and applicable documentation of tuition and fee changes to the house and senate fiscal agencies.

Sec. 208. All funds received under part 1 for the higher education charter school center are intended to be expended on activities of that center.

GRANTS AND FINANCIAL AID

Sec. 301. (1) Payments of the amounts included in section 119 for the state competitive scholarship program shall be distributed pursuant to 1964 PA 208, MCL 390.971 to 390.981.

(2) The Michigan higher education assistance authority shall implement a proportional competitive scholarship maximum award level for recipients enrolled less than full-time in a given semester or term.

(3) If a student who receives an award under this section has his or her tuition and fees paid under the Michigan educational trust program, pursuant to the Michigan education trust act, 1986 PA 316, MCL 390.1421 to 390.1444, and still has financial need, the funds awarded under this section may be used for educational expenses other than tuition and fees.

(4) If the Michigan higher education assistance authority increases the maximum award per eligible student from that provided in the previous fiscal year, it shall not have the effect of reducing the number of eligible students receiving awards in relation to the total number of eligible applicants. Any increase in the maximum grant shall be proportional for all eligible students receiving awards.

Sec. 302. (1) The amounts appropriated in section 119 for the state tuition grant program shall be distributed pursuant to 1966 PA 313, MCL 390.991 to 390.997a.

(2) Tuition grant awards shall be made to all eligible Michigan residents who apply before September 1, 1998 and who are qualified. Tuition grant awards shall not be made to students newly enrolled in a juris doctor law degree program after the 1995-96 academic year.

(3) The Michigan higher education assistance authority shall determine an actual maximum tuition grant award per student that ensures that the aggregate payments for the tuition grant program do not exceed the appropriation contained in section 119 for the state tuition grant program. By October 15, 1998, and again by December 15, 1998, the authority shall analyze the status of award commitments, shall make any necessary adjustments, and shall confirm that those award commitments will not exceed the appropriation contained in section 119 for the tuition grant program. The determination and actions shall be reported to the state budget director and the house and senate fiscal agencies no later than December 15, 1998. If award adjustments are necessary, the students shall be notified of the adjustment by the third Monday in January.

(4) Any unexpended and unencumbered funds remaining on September 30, 1999 from the amounts appropriated in section 119 for the tuition grant program shall not lapse on September 30, 1999, but shall continue to be available for expenditure for tuition grants provided in the 1999-2000 fiscal year. The use of these unexpended fiscal year 1998-99 funds shall terminate at the end of the 1999-2000 fiscal year.

(5) The Michigan higher education assistance authority shall continue a proportional tuition grant maximum award level for recipients enrolled less than full-time in a given semester or term.

(6) If the Michigan higher education assistance authority increases the maximum award per eligible student from that provided in the previous fiscal year, it shall not have the effect of reducing the number of eligible students receiving awards in relation to the total number of eligible applicants. Any increase in the maximum grant shall be proportional for all eligible students receiving awards.

Sec. 303. (1) Included in the appropriation in section 119 is funding for the Michigan work-study program established under 1986 PA 288, MCL 390.1371 to 390.1382, and 1986 PA 303, MCL 390.1321 to 390.1332. An effort should be made by each institution participating in the Michigan work-study program to assure that not less than 10% of those undergraduate, graduate, and professional students eligible to participate in the program are placed with for-profit employers no later than December 31 of each year for which funding is provided under this act.

(2) The Michigan higher education assistance authority shall allocate funds to institutions eligible for work-study money based upon each institution's specific Pell grant index and each institution's utilization rate of work-study funds for the 3 most recent years for which statistics are available.

(3) The Michigan higher education assistance authority shall set aside not more than 5% of the total work-study appropriation to process requests from participating institutions for allocation adjustments. Allocation adjustments shall be based on criteria set by the authority prior to making the allocations under subsection (2).

Sec. 304. (1) Payments of the amounts included in section 119 for the general degree reimbursement program established under 1974 PA 75, MCL 390.1021 to 390.1027, shall be made for all degrees identified in section 1(1) of 1974 PA 75, MCL 390.1021, except doctor of dental surgery, doctor of dental medicine, juris doctor law, and allied health degrees.

(2) The reimbursement rate per eligible degree shall be the equally prorated amount permitted by the appropriation, except that the amount of the reimbursement for each associate degree shall be 1/2 of the rate of reimbursement for the other degrees eligible under subsection (1) for the general degree reimbursement program.

(3) From the general degree reimbursement program, \$135,300.00 shall be provided to Spring Arbor College for the southern Michigan state prison program.

(4) From the general degree reimbursement program, \$200,500.00 shall be provided to the University of Detroit - Mercy for graduate research aid.

(5) From the general degree reimbursement program, \$30,100.00 shall be provided to Marygrove College for learning clinics.

(6) From the general degree reimbursement program, \$50,000.00 shall be provided to Suomi College for career education programs.

Sec. 305. The reimbursement rate per eligible degree under the allied health degree reimbursement program established under 1974 PA 75, MCL 390.1021 to 390.1027, shall be the equally prorated amount permitted by the appropriation included in section 119.

Sec. 306. Funds disbursed through the degree reimbursement programs shall not be used by any recipient institution for theology or divinity programs.

Sec. 307. The auditor general shall audit selected enrollments, degrees, and awards at selected independent colleges and universities receiving awards administered by the department of treasury. The audits shall be based upon definitions and requirements established by the state budget director and the senate and house fiscal agencies. The auditor general shall submit a report of findings to the senate and house appropriations committees not later than May 1, 1999.

Sec. 308. The sums appropriated in section 119 for the student financial aid and degree reimbursement programs shall be paid out of the state treasury and shall be distributed to the respective institutions under a quarterly payment system as follows:

(a) For the state competitive scholarship, tuition incentive, and tuition grant programs, 40% shall be paid at the beginning of the state's first fiscal quarter, 40% at the beginning of the state's second fiscal quarter, 10% at the beginning of the state's third fiscal quarter, and 10% at the beginning of the state's fourth fiscal quarter.

(b) For the work-study program, payments shall be made in 11 monthly installments from October 1 to August 31 of any year.

(c) For the part-time independent student program and Michigan education opportunity grant program, 50% shall be paid at the beginning of the state's first fiscal quarter, 25% at the beginning of the state's second fiscal quarter, and 25% at the beginning of the state's third fiscal quarter.

(d) For the general degree reimbursement program, allied health degree reimbursement program, Michigan resident dental grant program, and Robert C. Byrd honors scholarship program, 50% shall be paid at the beginning of the state's first fiscal quarter and 50% at the beginning of the state's second fiscal quarter after the number of earned degrees conferred and total amounts to be paid are certified.

Sec. 309. The Michigan higher education assistance authority shall determine the needs analysis criteria for students to qualify for the competitive scholarship program and tuition grant program. To be consistent with federal requirements, student wages may be taken into consideration when determining the amount of the award.

Sec. 310. (1) The funds appropriated in section 119 for the tuition incentive program/high school completion program shall be distributed as provided in this section and pursuant to the administrative procedures for the tuition incentive program/high school completion program of the family independence agency.

(2) As used in this section:

(a) "Phase I" means the first part of the tuition incentive assistance program defined as the academic period of 80 semester or 120 term credits, or less, leading to an associate degree or certificate.

(b) "Phase II" means the second part of the tuition incentive assistance program which provides assistance in the third and fourth year of 4-year degree programs.

(c) "Department" means the family independence agency.

(3) A person shall meet the following basic criteria and financial thresholds to be eligible for tuition incentive benefits:

(a) To be eligible for phase I, a person shall meet all of the following criteria:

(i) Apply for certification to the department before graduating from high school or completing the general education development (GED) certificate.

(ii) Be less than 20 years of age at the time of high school graduation or GED completion.

(iii) Be a United States citizen and a resident of Michigan according to institutional criteria.

(iv) Be at least a half-time student, earning less than 80 semester or 120 term credits at a participating educational institution within 4 years of high school graduation or GED certificate completion.

(b) To be eligible for phase II, a person shall meet either of the following criteria in addition to the criteria in subdivision (a):

(i) Complete at least 56 transferable semester or 84 transferable term credits.

(ii) Obtain an associate degree or certificate at a participating institution.

(c) To be eligible for phase I or phase II, a person must be financially eligible as determined by the department. A person is financially eligible for the tuition incentive program if that person was Medicaid eligible for 24 months within the 36 months before application. Certification of eligibility may begin in the sixth grade and continue until the time of enrollment in a participating institution.

(4) For phase I, the department shall provide payment on behalf of a person eligible under subsection (3). The department shall reject billings that are excessive or outside the guidelines for the type of educational institution.

(5) For phase I, all of the following apply:

(a) Payments for associate degree or certificate programs shall not be made for more than 80 semester or 120 term credits for any individual student at any participating institution.

(b) For persons enrolled at a Michigan community college, the department shall pay the current in-district tuition and mandatory fees. For persons residing in an area that is not included in any community college district, the out-of-district tuition rate may be authorized.

(c) For persons enrolled at a Michigan public university, the department shall pay lower level resident tuition and mandatory fees for the current year.

(d) For persons enrolled at a Michigan independent, nonprofit degree granting college or university or a Michigan federal tribally controlled community college, the department shall pay mandatory fees for the current year and a per credit payment that does not exceed the average community college in-district per credit tuition rate as reported on August 1, for the immediately preceding academic year.

(6) A person participating in phase II may be eligible for additional funds not to exceed \$500.00 per semester or \$400.00 per term up to a maximum of \$2,000.00 subject to the following conditions:

(a) Credits are earned in a 4-year program at a Michigan degree granting 4-year college or university.

(b) The tuition reimbursement is for coursework completed within 30 months of completion of the phase I requirements.

(7) Program payments shall not be used by any recipient for theology or divinity courses.

(8) The department shall work closely with participating institutions to develop an application and eligibility determination process that will provide the highest level of participation and ensure that all requirements of the program are met.

(9) Applications for the tuition incentive program may be approved at any time after the student begins the sixth grade. If a determination of financial eligibility is made, that determination is valid as long as the student meets all other program requirements and conditions.

(10) Each institution shall ensure that all known available restricted grants for tuition and fees are used prior to billing the tuition incentive program for any portion of a student's tuition and fees.

(11) The department shall ensure that the tuition incentive program is well publicized and that potentially eligible Medicaid clients are provided information on the program. The department shall provide the necessary funding and staff to fully operate the program.

(12) When statutory provisions are enacted to provide for a tuition incentive program/high school completion program, the provisions of this section are superseded.

(13) Any unexpended and unencumbered funds remaining on September 30, 1999 from the amounts appropriated in section 119 for the tuition incentive program shall not lapse on September 30, 1999, but shall continue to be available for expenditure for the tuition incentive program in the fiscal year ending September 30, 2000.

Sec. 311. To enable the legislature to evaluate the appropriation needs of higher education, each independent college and university shall make available to the legislature, upon request, data regarding grants for the preceding, current, and ensuing fiscal years.

Sec. 312. The funds appropriated in section 119 for the center for advanced technologies - engineering program provided in conjunction with the coalition for new manufacturing education are designated to focus: hope to reimburse the costs of the manufacturing-based education.

STATE UNIVERSITIES

Sec. 401. (1) Included in section 115 is \$5,775,082.00 to Wayne State University for the Joseph F. Young, Sr. psychiatric research and training program. Wayne State University shall use these funds for psychiatric laboratory and clinical research, training, and treatment services. Within the available appropriation, services shall not be denied to any patient who meets established research guidelines for treatment on the basis of personal financial circumstances, age, geographic residence, or projected/actual length of treatment as medically warranted.

(2) Wayne State University shall report the following information to the department of community health by November 1, 1999:

- (a) The number and type of psychiatric research projects funded by the appropriation described in subsection (1).
 - (b) The number and type of students trained and the location of training funded by the appropriation.
 - (c) Demographic data regarding the number and profile of patients to receive psychiatric services funded by the appropriation and a profile of the services provided.
 - (d) A summary budget outlining major expenditure categories and any first- and third-party reimbursements.
- (3) Copies of these reports shall also be provided to the house and senate fiscal agencies and the state budget director.

Sec. 402. The University of Michigan biological station at Douglas Lake in Cheboygan County is regarded as a unique resource and is designated as a special research reserve. It is the intent of the legislature to protect and preserve the unique long-term research value and capabilities of the biological station area and Douglas Lake. The legislature further intends that no state programs or policies be developed that would have a deleterious impact on the research value of Douglas Lake.

Sec. 404. It is the intent of the legislature that no funds, other than tuition and other revenues from law school students or private funds explicitly directed to the Detroit College of Law - Michigan State University law alliance, shall be used either directly or indirectly to support the joint law school. The auditor general or a certified public accountant appointed by the auditor general shall audit the financial and accounting systems of the Detroit College of Law - Michigan State University law alliance to determine compliance with this statement of legislative intent and report its findings to the state budget director, house and senate fiscal agencies, and members of the house and senate appropriations subcommittees on higher education.

Sec. 405. (1) There is created the higher education institutional data inventory advisory committee. The committee shall be appointed by the state budget director and shall consist of the following members:

- (a) One representative from the house fiscal agency.

(b) One representative from the senate fiscal agency.

(c) One representative from the state budget director's office.

(d) Three representatives of the presidents council of state universities. The presidents council shall appoint 1 representative each from a masters, a doctoral, and a research university.

(2) The committee shall provide for the general scope and direction for implementing the conversion and modernization of the state's higher education databases, for which funding is provided in section 117.

(3) The committee shall prepare a plan for the conversion and modernization effort. The plan shall include, but is not limited to, all of the following:

(a) The development of a data dictionary.

(b) The integration of appropriate federal, national, regional, and state databases.

(c) The assurance of the accuracy of the data.

(4) The committee shall consider inclusion of data items that are currently reported under section 705.

Sec. 408. The legislature recognizes that the first and foremost obligation of the public universities is undergraduate instruction. The public universities are therefore encouraged to increase their commitment of tenured and tenure track faculty to undergraduate instruction.

Sec. 409. The amounts included in part 1 for public universities establish a per-student funding floor of \$4,296.00, which shall be recognized as a permanent part of base funding and the concept of maintaining reasonable per-student floor funding shall be continued into future fiscal years. It is the legislative goal to achieve a \$4,500.00 per-student funding floor for master level universities and a \$6,000.00 per-student funding floor for doctoral level universities.

Sec. 412. From the funds appropriated in part 1, each state university shall establish a system to track students that graduate from the university. The system shall minimally provide information on the students' field of study and year of graduation, whether they are employed or continuing their education, the field in which they are employed or their subsequent field of academic study, their job title, their salary, and their city, town, or other place of residence.

Sec. 417. The legislature shall reduce the appropriations in part 1 for a state institution of higher education by the amount expended by that state institution of higher education to fulfill an outstanding obligation of athletic personnel contracts before the end of the contract term.

Sec. 418. No state funds shall be used by any state university to undertake a collaborative effort with any other university that would have the effect of increasing its enrollment of first-time professional law degree seeking students.

Sec. 421. Central Michigan University shall report by April 1, 1999 and September 30, 1999, to the house and senate appropriations committees and the house and senate fiscal agencies, the following information on the activities and effectiveness of the higher education charter school center for which an appropriation is provided in section 102:

(a) Each public school academy provided assistance.

(b) The type of assistance provided.

(c) The result of the assistance provided.

(d) An itemized accounting of all revenues and expenditures of the center.

Sec. 422. Funds appropriated in part 1 to a state institution of higher education are subject to this section. If a state institution of higher education serves as an authorizing body for 1 or more public school academies under the revised school code, 1976 PA 451, MCL 380.1 to 380.1852, an amount equal to the amount received by the state institution of higher education in the immediately preceding fiscal year as its total fees for considering applications for contracts, issuing contracts, and providing oversight of contracts for public school academies shall not be distributed to the state institution of higher education under this act until the auditor general certifies to the state budget director that the institution has provided to the auditor general all information requested in his or her performance of an audit of those activities.

Sec. 426. It is legislative intent that private bookstores that sell textbooks to university students and student governments that provide a book swap for university students have accurate and timely access to lists of universities' required textbooks in order to provide prompt and efficient service for students. It is further legislative intent that each state university allow students who are on financial aid or are receiving tuition grants to decide where to purchase their textbooks.

MARTIN LUTHER KING, JR. - CESAR CHAVEZ - ROSA PARKS PROGRAMS

Sec. 501. (1) Included in the appropriation for each public university in part 1 is funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks future faculty program, that is intended to increase the pool of minority candidates pursuing full-time faculty teaching careers in postsecondary education in this state. Each university shall apply the percentage increase applicable to every university in the calculation of appropriations in part 1 to the amount of funds allocated to the future faculty program.

(2) The program shall be administered by each university in a manner prescribed by the King-Chavez-Parks initiative unit in the Michigan department of education.

Sec. 502. (1) Included in the appropriation for each public university in part 1 is funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks college day program that is intended to introduce school children underrepresented in postsecondary education to the potential of a college education.

(2) Individual program plans of each university shall include a budget of equal contributions from this program, the participating public university, the participating school district, and the participating independent degree granting college. College day funds shall not be expended to cover indirect costs. Not more than 20% of the university match shall be attributable to indirect costs. Each university shall apply the percentage increase applicable to every university in the calculation of appropriations in part 1 to the amount of funds allocated to the college day program.

(3) The program shall be administered by each university in a manner prescribed by the King-Chavez-Parks initiative unit in the Michigan department of education.

Sec. 503. (1) Included in section 118 is funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks select student support services program for developing academically and economically disadvantaged student retention programs for 4-year public and independent educational institutions in this state.

(2) An award made under this program to any 1 institution shall not be greater than \$150,000.00, and the amount awarded shall be matched on a 70% state, 30% college or university basis.

(3) The program shall be administered by the King-Chavez-Parks initiative unit in the Michigan department of education.

Sec. 504. (1) Included in section 118 is funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks college/university partnership program between 4-year universities and public community colleges, which is intended to increase the number of underrepresented minority students who transfer from community colleges into baccalaureate programs.

(2) The grants shall be made under this program to Michigan public universities. An award to any 1 institution shall not be greater than \$150,000.00, and the amount awarded shall be matched on a 70% state, 30% university basis.

(3) The program shall be administered by the King-Chavez-Parks initiative unit in the Michigan department of education.

Sec. 505. (1) Included in the appropriation in section 118 is funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks visiting professors program which is intended to increase the number of minority instructors in the classroom and provide role models for underrepresented minority students.

(2) The program shall be administered by the King-Chavez-Parks initiative unit in the Michigan department of education.

Sec. 506. Each state institution of higher education receiving funds under section 503, 504, 505, or 507 shall notify the King-Chavez-Parks initiative unit in the Michigan department of education by April 15, 1999 as to whether it will expend by the end of its fiscal year the funds received under section 503, 504, 505, or 507. Notwithstanding the award limitations in sections 503 and 504, the amount of funding reported as not being expended will be reallocated to the institutions that intend to expend all funding received under section 503, 504, 505, or 507.

Sec. 507. (1) Included in the appropriation in section 118 is funding under the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks initiative for the Morris Hood, Jr. educator development program which is intended to increase the number of minority students, especially males, who enroll in and complete K-12 teacher education programs at the baccalaureate level.

(2) The program shall be administered by each state-approved teacher education institution in a manner prescribed by the King-Chavez-Parks initiative unit in the Michigan department of education.

UNIVERSITY SERVICE TO K-12 EDUCATION

Sec. 601. (1) From the amount appropriated in part 1 for state universities, the state universities shall systematically inform Michigan high schools regarding the academic status of students from each high school in a manner prescribed by the presidents council, state universities of Michigan in cooperation with the Michigan association of secondary school principals.

(2) The Michigan high schools shall systematically inform the state universities about the use of information received under this section in a manner prescribed by the Michigan association of secondary school principals in cooperation with the presidents council, state universities of Michigan.

GENERAL REPORTS AND AUDITS

Sec. 701. (1) The auditor general shall audit enrollments at 5 randomly selected public universities. The audits shall be based upon the definitions and requirements established by the state budget director and the senate and house fiscal agencies. The audits shall be based on uniform reporting categories and shall include higher education institutional data inventory (HEIDI) data. The auditor general shall submit a report of findings to the house and senate appropriations committees no later than March 1, 1999.

(2) Student credit hours reports shall not include the following:

(a) Student credit hours generated through correspondence courses, credit by examination, or inmate prison programs regardless of teaching location.

(b) Student credit hours generated in new degree programs after January 1, 1975, that have not been specifically authorized for funding by the legislature, except spin-off programs converted from existing core programs that do all of the following:

(i) Represent new options, fields, or concentrations within existing programs.

(ii) Are consistent with the current institutional role and mission.

(iii) Are accommodated within the continuing funding base of the institution.

(iv) Do not require a new degree level beyond that which the institution is currently authorized to grant within that discipline or field.

(v) Do not require funding from the state other than that provided by the student credit hours generated within the program, either before program initiation or within the first 3 years of program operation.

Sec. 701a. (1) Pursuant to section 701(2)(b), the following degree programs may be established:

(a) Bachelors

Central Michigan University	Entrepreneurship (major), B.A.A.
Eastern Michigan University	Electronic Engineering Technology, B.S.
Eastern Michigan University	Mechanical Engineering Technology, B.S.
Eastern Michigan University	Women's Studies, B.S.
Ferris State University	Rubber Engineering Technology, B.S.
Northern Michigan University	Major in Applied Mathematics, B.S.
Northern Michigan University	Technical Communication, B.S.
University of Michigan - Dearborn	Computer Engineering, B.S.E.
University of Michigan - Dearborn	Manufacturing Engineering, B.S.E.
University of Michigan - Flint	Administration of Services to the Aged, B.S.
University of Michigan - Flint	Radiation Therapy, B.S.
Wayne State University	Business Administration with major in Business Logistics

(b) Masters

Central Michigan University	Spanish, M.A.
Grand Valley State University	Engineering, M.S.E.
Northern Michigan University	Science Education, M.S.
Oakland University	Training and Development, M.D.T.
Saginaw Valley State University	Communication and Multimedia, M.A.
Saginaw Valley State University	Technological Processes, M.S.
University of Michigan - Flint	Graduate Nurse Practitioner, M.S.N.
Wayne State University	Biomedical Engineering, M.S.
Western Michigan University	Construction Management, M.S.

(c) Doctorate

Central Michigan University	Applied Experimental Psychology, Ph.D.
Central Michigan University	Educational Leadership, Ed.D.
Michigan State University	Ecology, Evolutionary Biology and Behavior, Ph.D.
Oakland University	Education and Human Services Doctoral Program
Wayne State University	Biomedical Engineering, Ph.D.
Western Michigan University	Counselor Education, Ed.D. to Ph.D.
Western Michigan University	Environmental Chemistry, Ph.D.
Western Michigan University	Paper and Imaging Science and Engineering, Ph.D.

(2) The listing of degree programs in subsection (1) does not constitute legislative intent to provide additional dollars for those programs.

Sec. 702. The principal executive officer of each institution of higher education receiving an appropriation under this act shall expend a portion of the funds appropriated to that institution to make a report to the auditor general, the house and senate fiscal agencies, and the state budget director within 60 days after the auditor general issues his or her annual report on the operation of the institution. The institution's report shall specify all of the following:

(a) The recommendations of the auditor general implemented by the institution, including projected dates and resources required, if any, to achieve compliance.

(b) The recommendations of the auditor general not implemented by the institution or implemented by the institution as modified.

(c) The rationale for not implementing a recommendation of the auditor general or of implementing a recommendation as modified.

Sec. 704. (1) Each state university shall annually submit a report to the state budget director and house and senate fiscal agencies on efforts to ensure the English language oral proficiency of teaching faculty.

(2) The next reporting date for the report under subsection (1) is November 1, 1998.

Sec. 705. (1) Each state university shall report the following information for the 1997-98 academic year to the house and senate fiscal agencies and the department of management and budget on or before October 31, 1998:

(a) Separately, the number of tenured faculty, tenure-track faculty, nontenure-track faculty, and graduate assistants who taught an undergraduate class section.

(b) The total number of undergraduate credit hours and section credits taught by each of the following:

(i) Tenured faculty.

(ii) Tenure-track faculty.

(iii) Nontenure-track faculty.

(iv) Graduate assistants.

(2) For the purposes of subsection (1), the following definitions apply:

(a) "Tenured faculty" means a faculty member who has earned tenure.

(b) "Tenure-track faculty" means a faculty member who has not yet earned tenure but is eligible to earn tenure.

(c) "Nontenure-track faculty" means a faculty member who is not eligible to earn tenure.

(d) "Graduate assistant" means an individual who is a master's or doctoral degree candidate.

(3) Each state university shall report the following information for the 1997-98 academic year to the house and senate fiscal agencies and the department of management and budget on or before October 31, 1998:

(a) Separately, the number of part-time and full-time faculty.

(b) Separately, the number of tenured and nontenured faculty.

(4) For the purposes of subsection (3), the following definitions apply:

(a) "Part-time faculty" means an individual who does not have a full-time appointment as a faculty member.

(b) "Full-time faculty" means an individual who has a full-time appointment as a faculty member.

(c) "Tenured faculty" means an individual who has earned tenure and who does not hold an administrative post.

(d) "Nontenured faculty" means an individual who has not earned tenure.

Sec. 706. The University of Michigan - Ann Arbor recognizes its responsibility to Michigan resident students. It is the intent of the university to recruit and admit qualified Michigan resident students, and to establish financial aid programs and scholarships to achieve a resident level of undergraduate enrollment of 70%.

Sec. 708. The auditor general shall conduct not less than 3 performance audits of the state universities during the fiscal year ending September 30, 1999.

This act is ordered to take immediate effect.

Carol Morey Viventi

Secretary of the Senate.

Maya Rudolph

Clerk of the House of Representatives.

Approved _____

Governor.